

# Capabilities and Human Well-Being: How to Bridge the Missing Link?

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**Abstract:** The division of theoretical work into two broad areas of social and economic theory kept the social and economic domains separated from each other for a long time at the theoretical level. This division of social and economic theoretical realms is at odds with the everyday realities of life, where social activities are entwined with economic activities through a nested relationship. Sen's major contribution in the field of economics is to resist the desocialization of economics and challenge the philosophical foundation of traditional economic theory. Sen contributed to shifting the focus in the field of economics and development studies from an exaggerated emphasis on growth towards issues of personal well-being, agency and freedom. In this line of argument, known as capability approach (CA), Sen has provided a broader definition of human welfare involving more complex motivations, like social concerns and the well-being of future generations, etc. However, despite having many promising features, Sen's CA also has its own weaknesses when considered on its own. CA is often criticized for its underspecified nature and the lack of a definite list of capabilities raised some concerns regarding the practical application of this approach. Through an exhaustive review of relevant literature, this paper sets out to outline the main feature of Sen's approach. The aim of this paper is to identify the potential as well as the limits of CA for the conceptualization and assessment of human well-being. The paper concludes that in order to use CA to construct an empirically grounded assessment of wellbeing, one needs to adopt carefully designed procedural methods for the selection of relevant capabilities.

**Keywords:** Capability Approach, Quality of Life, Well-being

## 1. Introduction

Neglect of social relations and structure led to the desocialization (Jackson, 2013) of economic theory that created a major rift between social and economic theory, keeping them far apart from each other at a theoretical level. The orthodox economic theory rests on a single body of the core principles of methodological individualism, instrumental rationality and a strong equilibrium concept. Social interdependencies like sympathy and commitment that provide a sound base for understanding human behavior are treated as externalities in traditional economic analysis. On the other hand, social theory is practiced outside the discipline of economics by scholars primarily linked to the discipline, such as those from sociology, psychology, cultural studies, linguistics and other disciplines. Social theory is pluralistic in nature and rests its foundation upon social relations and structures. This division of the social and economic theoretical realm is at odds with the everyday realities of life, where social activities are entwined with economic activities through a nested relationship. Heterodox economists did propose various alternatives to neoclassical theory, though their voices largely remained marginalized within the discipline of economics and the orthodox viewpoint continues to dominate the discipline of economics (Jackson, 2013). Economic interaction takes place within pre-existing institutions lending it a social dimension that is hard to play down. In the same vein, the individual's well-being in any society cannot be completely divorced from the broader

economic context. Sen's major contribution in the field of economics is to resist the desocialization of economics and challenge the philosophical foundation of traditional economic theory. Traditional welfare economics holds that individuals are rational beings and

free exchange will increase the well-being of these rational actors (Pressmani and Summerfield, 2000). Sen expanded the notion of human well-being beyond consumption and developed better measures of poverty and inequality. Sen's work has broadened the economic analysis beyond the provision of goods and services. He has introduced a different view of human economic agents having some intrinsic worth rather than being just rational utility maximizers. His notion of well-being also encompasses development of human potential by increasing the options available to individuals in any society. Sen asserted that when making normative evaluations about a valuable life, the focus should be on what people are able to be and to do, and not just on the material resources that they are able to consume. In this line of argument, known as the capability approach (CA), Sen built more realistic assumptions about economic science based on the notion of entitlements and human capabilities. This focus on human capabilities is in contrast with traditional economics, which mainly define development in terms of increased production, efficiency and utility. Sen contributed to shifting the focus in the field of economics and development studies from an exaggerated emphasis on growth towards issues of personal well-being, agency and freedom. Sen acknowledged the importance of growth and material prosperity for human development. It is convincingly argued that people cannot live, let alone live well, without goods and services. However, Sen advanced much compelling argument for going beyond the notion of utility and welfare when it comes to judging personal well-being or human development (Clark, 2005). Although traditional development economics has shifted its focus from growth to income distribution, income alone is not an adequate basis for analyzing a person's entitlements, i.e. a rise in income does not automatically or necessarily translate into an entitlement to education or health services, social equality, self-respect, or freedom from social harassment (Sen, 1983). Traditional economic thinking also ignores processes and human relationships that are as important as outcomes. Social interdependencies like sympathy and commitment that provide a sound base for understanding human behavior are treated as externalities in traditional economic analysis. Bringing these interdependencies back into economic analysis could broaden the scope of economics beyond utility maximization. Another important limitation of traditional welfare economics is the assumption about individual preferences, which might be distorted due to individual life histories or structural conditions (Pressmani and Summerfield, 2000). Emphasis on the agency - capability relationship broadens the perspective (Binder, 2013) and shifts the focus from the conditions of living to the ability to make choices about the conditions of living (Jasek-Rysdahl, 2001). Sen provided a broader definition of human welfare involving more complex motivations, like social concerns, the well-being of future generations, etc. Sen also argued that there are many nonmaterial dimensions of utility and disutility that cannot be bought and sold in the market. Though Sen never denied the significance of resources in contributing to wellbeing, he nevertheless rightly argued that material resources are but a means and not an end to achieving human wellbeing. According to Sen, capabilities are the right basis for evaluating an individual's well-being or standard of living. However, Sen's CA is a general framework and not a fully fleshed-out theory. Sen has not provided a list of capabilities, which are relevant to investigate the issue of human wellbeing empirically. This paper is an attempt to explore how CA can be used to investigate human well-being empirically. An effort is made to identify the main features of the capability approach through an exhaustive review of relevant literature and to explore the possibilities and limits of Sen's capability approach to conceptualize and assess human wellbeing. The paper is structured as follows. Section two following the introduction outlines the main features of CA. The third section deals with the ontological commitments of CA. The fourth section of this paper looks deeply into the concept of well-being and also identifies challenges of a better informed appraisal of well-being from the perspective of CA. The fifth section mainly draws on the various discussions to justify a basic capability set to assess wellbeing. The paper concludes by suggesting how to deal with some possible problems of paternalism and hedonistic adoption (Binder, 2013), as pertaining to the measurement aspects of wellbeing.

## **2. Capability Approach (Ca): Concepts and Interpretations**

CA postulates that the focus should be on people's capabilities when making any normative evaluations, like in the case of social justice issues, development ethics, and inequality analysis, etc. Sen defined capabilities as opportunities that individuals have to achieve certain functioning. Thus, capabilities are the individuals' ability to do something, whereas functioning refers to achievements. Capability is defined as positive freedom by Sen (Sen, 1987). According to Sen, capabilities have both instrumental and intrinsic value. The mutual dependency between functionings and capabilities, as the ability to choose a set of functionings, depends upon the functionings previously achieved by the individual in his or her life. For example, directly needed functionings for capabilities are good nourishment, health, and education (Gandjour, 2008). Sen himself argued that physical health and the absence of poor nourishment are important for people's "liberty to choose to live as they desire" (Sen 1992, p. 67). There are other functionings that are indirectly related to the individual ability to do something; mental health is a case in point. In case of mental health problems like a mental disorder or negative thoughts, the individual's perception of existing opportunities might become distorted, thus limiting the individual's ability to seize the opportunity (Gandjour, 2008). In the CA, functionings and capabilities intervene between material consumption and psychic utility or welfare. Following Aristotle, Sen (1990) also argues that material things are not an end but a means towards another end, and in the case of some important ends, they even fail to serve as a means. One important thematic deficiency of traditional development economics as it is identified by Sen is its focus on national product, aggregate income and total supply of particular goods rather than on 'entitlements' of people and the 'capabilities' these entitlements generate (Sen, 1983). Therefore, development economics needs to shift its focus from traditional measures of growth to entitlement, i.e. what people can or cannot do. According to Sen (1983), entitlement refers to the set of alternative commodity bundles that a person can command in a society using the totality of rights and opportunities that he or she faces. Entitlements (material consumption and other resources) are a means for producing welfare. Entitlements generate capabilities as a means of enlarging individual choice and participation in society. However, the causal link between entitlement, capabilities and functioning is far from being simple and linear, but rather it is complex and tangled (Jackson, 2005). Rather than being paternalistic and perfectionist, Sen intends his capability approach to promote human freedom. Sen's notion of capabilities and functionings provides us with a better and complete understanding of the quality of life of people. Functionings refers to the current or actual life condition of people (Sen, 1993), e.g. the level of health, happiness, income, and nourishment are some of the examples of functionings that a person can achieve. However, the functionings of an individual or family are the result of the choices already made. The standard of living reflects the amount of choices a person can make for different life achievements. People with the highest standards of living have the largest set of possible functionings (Jasek-Rysdahl, 2001). However, functionings are only a partial measure of the standard of living. Sen argued that, in order to have a better understanding of the standard of living, one must include a person's capabilities. Capabilities can be defined as a set of possible functionings available to a person and freedom to choose from them (e.g. Sen, 1993). An individual's entitlements provide the basis for his capabilities, i.e. the ability to do this or that (e.g. be well nourished), and failure to acquire some other capabilities, and in turn individual entitlements of goods and commodities, depends upon individual capabilities. Another important notion that also plays a central role in Sen's capability framework is the concept of freedom. According to Sen, capabilities mean a positive freedom and/or negative freedom. Positive freedom refers to a state of being when a person is able to do what the person wants to do. Whereas in the case of negative freedom, a person can have multiple choices, but is not able to exercise these choices due to external constraints. In this case, no-one acts to prevent a person from achieving a particular functioning, but a person lacks the positive freedom to choose, e.g. a girl might have freedom of education but lack the means of transport to commute.

In this case, she has a negative freedom, as her freedom of education is constrained by structural factors. Sen's focus is on the positive aspect of freedom and often seems to connect the idea of capabilities to empowerment and agency (Jasek-Rysdahl, 2001). In his discussion, Sen mentioned two different aspects of freedom, namely first opportunity freedom, which encompasses a person's ability to do or be various things – which he terms “capability” and thinks of as related to a person's positive freedom. The second is the process aspect of freedom that covers “autonomy of choice” and “non-interference.” This latter aspect is closely related to libertarian concerns and “negative freedom.” Rather, he conceives of an agent as “someone who acts and brings about change, and whose achievements can be judged in terms of her own values and objectives, whether or not we assess them in terms of external criteria” (Sen 1999: 19). Sen also distinguishes between well-being freedom – the freedom to pursue one's own well-being – and agency freedom, which captures the freedom to pursue (Qizilbash, 2005). Agency refers to the ability of an individual who can act to bring about change. According to Sen (1999), “the agency role is thus central to recognizing people as responsible people . . . we act or refuse to act” (p: 190). The concept of agency is entwined with the capabilities in that one can only make choices and act responsibly when one has options. Freedom and social welfare is not only an end in itself, but also a means to promote well-being and advancement, e.g. policies that are oriented towards social goals such as education are also a means to promote human growth and development, which in turn can further facilitate the social goal of education by releasing more resources for this purpose. Similarly, freedom is also both a means and an end of development. Freedom (or capability or power) can play an instrumental role in promoting economic development and also has a constitutive role in enriching human life, because freedom is not just a desirable ethical goal, but also an ontological constituent of reality (Martins, 2007a).

### **3 Ontological Commitment of Capability Approach**

Ontology is an inquiry about the nature of being or an analysis of the underlying categories of reality. Such assumptions about the nature of reality are present in every theory, for any theory refers (if only implicitly) to some reality, which is described through our categories and conceptions. Ontological differences are due to the heterogeneous nature of reality (Martins, 2007b). Amartya Sen's CA is part of an older tradition within practical reasoning. According to Sen (2002), social reality is an open system and human agents are driven by multiple preference orders and have different motivations, goals, values, and reasons for choice. This ontological conception of reality is based on biological dynamics, and not on equilibrium concepts inspired by physics. This approach stresses the interconnectedness of the various parts of the system, which cannot be reduced to its constituent parts. For Sen, such interconnections are essential features of reality. Sen criticizes ethical theories that use resources, commodities, goods, income, wealth or other material conditions, as the only bases of well-being and advantage (Martins, 2007b). Thus, value must be assigned to what matters intrinsically, namely people's functionings and capabilities. As functioning and capabilities are individual traits, the approach is an ethically (or normatively) individualistic theory. Ethical individualism implies each person will be taken into account in our normative judgments and that the units of normative judgment are individuals, and not households or communities. However, ontologically, CA is non-individualistic, as it acknowledges social and environmental conversion factors as well. Conversion -ability might differ between different people based on their individual or structural differences in society like gender, class or cast etc. (Robeyns, 2000). Sen and Nussbaum highlight the strong sensitivity of the CA to people's individual beliefs, values and desires, but do not always maintain its link to universal values, or at least to some minimal common pre-requirements

#### **3.1. Capability Approach and Structured Ontology**

Human subjectivities, human experiences and social structures are ontologically different but interdependent modes of being that are not reducible to one another (Lawson 2003: 241). The

same is true about human agency and socioeconomic structures: both interact as ontologically distinct realities. Social structures are transformed and reproduced by human agency and at the same time can also promote or constrain human agency. This is not a static model, as human agency is not reducible to structure, as human agents are capable of choosing from a capability space that is shaped by the given social structure (Martins, 2007b). Social structures are sets of social rules that provide the material base of action to the human agent. Therefore, social structures are social tools available to human agents at any given point in time and it is at their discretion to choose if they wish to do so. The ontological distinction between social structures and human agency provides space for empirical diversity with universalizing and human freedom with the causal efficacy of socioeconomic structures. This is a dynamic and not a deterministic model of structural causation, where agents do not have the freedom to act in a different way than the one determined by social structures (ibid). It is important to analyze the structural causes behind a given capability space and acknowledge the ontological distinction between underlying (biological, psychological, economic or social) structures and the particular way in which they become manifest in human experiences, human subjectivity, human wants and desires. The capability approach defines capabilities as an individual property and, in this respect, resembles an individualistic portrayal of human agency. It concedes that capabilities are culturally specific, but makes little effort to discuss how social structures influence them. It is therefore useful to see capabilities as a blend of structural, social and individual capacities to act (Jackson, 2005). The social capacity to act refers to individual agency or own ways of working. Therefore, a comprehensive picture of social behavior is given by the combination of role-based structure or the structural capacity to act and personal social behavior or the social capacity to act. The social capacity to act is closely linked with the notion of social capital. However, the term social capital is defined quite loosely and often blurs boundaries between personal and impersonal relations, and furthermore does not correspond exactly to either social or structural capacities. All social, structural and individual capacities are interlinked. A person with high structural capacity but low social capacity is not able to realize their full potential. Empirical evidence suggests that as personal incomes fall, so do social participation and the security and support provided by families (ibid). Therefore, any analysis of functioning and well-being should not be viewed as monolithic or unidimensional, and to overemphasize some at the expense of others is a serious limitation. The domestic sector of the economy complements the formal sector, stabilizes the economic system and contributes substantially to total economic activity, in spite of being omitted from the national accounts (Elson, 1998). Social capacities may have a special importance in times of economic change. Any mismatch between structural and social relations often creates pressure for institutional reforms, thus creating space for new structural capacities. Beside structural and social capacities, there is another layer of individual capacity that is independent of roles or social relations. Individual capacity could be nurtured in society, but is independent of the social context, e.g. inherited physical and mental qualities. Inherited physical and mental qualities have their own effects on capabilities, beside the effects of culture, social structure and resource endowments, and any approach neglecting them would be blinkered and incomplete (Jackson, 2005).

## **4. Capability Approach and Notion of Well-Being**

The reductionist ambition of desocialized orthodox economic theorizing was toned down by Sen, who challenged the supremacy of utility in economic theorizing and introduced the dimension of capabilities and functioning in his approach. The traditional notion of well-being that conflates well-being with opulence or utility is criticized by Sen on the grounds of informational monism. According to Sen, preferences cannot be an informational basis of justice, as they may become distorted, adopted or adjusted due to all kinds of inputs, such as social norms, government regulation, culture and so on (Moss, 2013). According to Sen (1987), A person who has had a life of misfortune, with very limited opportunities, and rather little hope, may be more easily reconciled to deprivations than others reared in more fortunate and affluent circumstances. The metric of happiness may, therefore, distort the extent of deprivation, in a specific and biased way. Sen suggested that traditional economic theory had reversed the relationship between

preference and action. In the standard utilitarian approach, individual preferences are considered as sole responsible cause for human action. However, Sen convincingly argued that preferences are not the valid determinant of human welfare and often do not provide the basis for human action, as individuals adapt their preferences according to the social situation. Sen also highlighted the fact that taking the autonomous individual as a unit of analysis could be problematic, as individuals live in families and households where power dynamics within the household play a role in the distribution of resources. Therefore, individual well-being within a household might not correspond with aggregate family income due to distribution issues (Pressmani and Summerfield, 2000). Sen focused on functionings as metrics of well-being. Functionings lie in between the other metrics of well-being. Functionings are neither measures of welfare nor some sort of distributive resource. Therefore, the ability to achieve these functioning is also of interest and not just the functionings themselves. As Sen (1993) put it, 'The capability approach to a person's advantage is concerned with evaluating it in terms of his or her actual ability to achieve various valuable functionings as a part of living' (p. 30). Sen argued that the capability approach allows us to expand the information base and include freedom and not just achievement as welfare indices. A person with limited options is in a clear sense disadvantaged compared to a person with many options. Having the freedom to choose between various sets of functionings may be directly relevant to a person's well-being and redistribution claims. From Sen's perspective, in order to ensure that a person has the capability to achieve a certain desired level of functioning, it is important to have freedom to or freedom from, e.g. a person may be disease-free due to the capability that was achieved by the efforts of an individual or through the implementation of preventive health programs (Moss, 2013). According to Sen, information provides the evaluative basis of the judgment about its merits and demerits. The information base of any theory is characterized by 'informational inclusion' (the information needed for making judgements using a particular approach) and 'informational exclusion' (the information 'excluded' from a direct evaluative role in that approach) (Sen 1999: 56). Most informational constraints are due to informational exclusion rather than 'informational inclusion'. One case in point is utilitarianism, where the information base is a person's utility (Giovanola, 2005). This monistic interest in utility as informational base in evaluation leads to a 'drastic obliteration of usable information' (Sen 1985: 175). Thus, a lack of information due to informational and principle monism could distort individual perceptions of well-being. Therefore, in order to address the problem of preference- deformation, it is essential to broaden the base of information by focusing more on human agency through an 'information-pluralist' approach such as the 'capability approach'.

#### **4.1 Challenges to Conceptualize and Assess Human Wellbeing**

Disenchantment with traditional income-based measures of wellbeing in recent years has led to the search for alternative measures of well-being. Income-based measures of wellbeing are criticized on the basis that they paint a very narrow picture of human welfare (Binder, 2013). The earliest attempts to move beyond utilitarian economics were made by the basic need approach that was pioneered by development economist Paul Streeten in the late 1970s and early 1980s. However, the basic need approach was subject to criticism similar to that raised against traditional welfare economics. There were many unanswered questions in the basic need approach that led Sen to shift his focus from goods to people. Fundamental questions that posed a serious challenge to the basic need approach were, for example: What are basic needs? Are they the same for everyone at every time? Is consumption at or above some basic level all that we want for people? How do we justify entitlements and what determines these entitlements? (Pressmani and Summerfield, 2000) In attempting to address these issues, Sen developed the concept of capabilities, i.e. what a person is able to do or be that has intrinsic value in life as compared to the goods that provide instrumental value or utility. Sen tried to expand the basic need approach. According to Sen, people's ability to do things matters more for their well-being than what people can buy with their income. Sen argued that development can best be explained as a process of expansion of capabilities of people (Sen, 1983). Thus, freedom and agency to choose have intrinsic value for a good life. The distinction between the notion of functionings (bare achievement) and capabilities (opportunity or freedom) deserves attention. Sen has paid

more attention to the notion of capabilities than that of functionings while discussing well-being. Therefore, within Sen's framework, any account of human well-being and development can be seen in the evaluative space of capabilities or functioning (Clark, 2005). Converting capabilities into social functioning is mediated through many social and personal factors. One major contribution of the capabilities approach is to recognize a different anthropological model, which respects human diversity and is sensitive to pluralism rather than reducing human beings to their utility function. According to the capabilities perspective, the ability to be well-nourished, to avoid escapable morbidity or mortality, to read and write and communicate, to take part in the life of the community, to appear in public without shame has intrinsic value for human welfare (Sen, 1990, p. 126). While a utilitarian measure of human welfare would regard a person, e.g. a divorced woman, to be worse off in terms of economic security, the capability approach can show that with greater freedom and greater choice, her welfare may have increased (Pressmani and Summerfield, 2000). The capabilities approach has brought a paradigm shift within the field of economic development, moving away from economic growth to human well-being as a focal point in development discourse. According to Sen (1984), development is about expanding the capabilities of people. The goal of economic development thus shifted from increasing per capita income to expanding individual choices or opportunities and providing more positive freedom to people. As Sen has stressed continuously, there are many things besides income that create utility or well-being. According to the capabilities approach, deprivation means a lack of certain capabilities, and so the 'wealthy but not healthy' may be counted as poor. For Sen, income is not an end in itself, and the end is to increase the functionings and capabilities of people (Pressmani and Summerfield, 2000). Although Sen has not given a definitive list of capabilities, he has mentioned some basic capabilities like basic liberties, such as freedom of movement, freedom of association and freedom of occupational choice against a background of diverse opportunities; positions of responsibility in political and economic institutions; income and wealth; and the social bases of self-respect. Development could best be explained in terms of these human capabilities (Qazelbash, 2002). Seen from Sen's perspective, well-being is about the expansion of capabilities, i.e. to improve human lives by expanding the range of things that a person can be and do, such as to be healthy and well-nourished, to be knowledgeable, and to participate in community life. Sen's capability approach is a perspective that respects human diversity in the assessment of well-being. However, this stance of CA on human diversity poses serious challenges to the application of CA in the assessment of well-being. The existence of empirical diversity renders generalizations less obvious, but the selection of capabilities implies making generalizations and comparisons. However, one of the most difficult tasks in applying the capabilities approach for empirical analysis is deciding which capabilities are most important, as there is a wide range of human capabilities and their relevance or value varies with social context—from one community or country to another, and from one point of time to another. Therefore, while specifying the list of capabilities, underlying motivation and social values must be taken into account. For Sen, each list of capabilities must be context specific and the context is both the geographical area to which it applies, as well as the sort of evaluation that is performed.

## **5. Justifying a basic Capability Set: Methodological Concerns**

In order to avoid charges of paternalism, Sen shied away from giving a definite list of capabilities. The underspecified nature of CA and the lack of a definite list of capabilities raised some methodological concerns regarding the application of CA to measure human well-being. Whether to employ a subjective or an objective method to determine which capabilities are most valuable to measure human well-being, is a matter of great concern. Nussbaum's Platonism approach selects an objective list of capabilities that should form the basis of claims that individuals have. Platonism as a philosophy is based on an objective and a universalistic notion of the Good. According to Platonism, actual desire and choice play no role at all in justifying something as good. Preferences can be distorted or manipulated by traditions. Nussbaum's appeal to desires points back to the objective substantive good based on normative principles

(Giovannola, 2005). Nussbaum defends a 'convergence' between the substantive lists of capabilities and the norms that shape a sensible informed-desire (Nussbaum 2000: 161). Unlike other approaches of subjective welfares in CA 'each person's own perception of well-being could not be the basis of social choice due to the problem of preference-deformation (Nussbaum 2000: 8). However, any universal claims of human well-being are subject to criticism on the grounds of being paternalistic or overlooking cultural and historical differences. Drawing directly on the values and experiences of the poor to sketch relevant capabilities could help minimize the risk of imposing ethnocentric or elitist views. Nevertheless, meaningful results are not guaranteed, even through this consultative process, as poor communities and individuals might be lacking the necessary knowledge and experience to make informed value judgments about alternative life styles and their preferences adapt to match circumstances, or are distorted through indoctrination (Clark, 2005). An objective list of capabilities could help to overcome many of the problems associated with the subjective account of well-being. According to Moss (2013), opting for an objective list of capabilities doesn't necessarily compromise freedom or autonomy of the individual, because the list of capabilities increases people's autonomy by giving them the ability to function in important ways that are necessary for a worthwhile life. Having capability does not mean that one must translate it into functioning by doing it. However, excessive emphasis on objectivism may raise problems of perfectionism and legitimacy that could result in a limited endorsement of the list by those to whom it applies. In order to grapple with these serious intellectual and legitimacy challenges, one may endorse Robeyns' suggestions. Robeyns (2003, 2005) outlined five criteria for drawing such lists. First, the criterion of explicit formulation; second, the criterion of methodological justification; third, the criterion of sensitivity to context; fourth, the criterion of different levels of generality and; fifth, the criterion of exhaustion and non-reduction. On the basis of the above-mentioned criteria, Robeyns (2003) made the following recommendations. It is important to draw an explicit list of capabilities and any such list needs to be discussed, defended and must provide valid justification of the method used for drawing such a list. The level of abstraction at which the list of capabilities is drawn should correspond to the context of empirical investigation, e.g. in the case of social, or economic discussions, the list will be less abstract than in the case of philosophical discussions. Lists of capabilities should be exhaustive and every relevant dimension should be taken into account. Therefore, any empirical investigation aiming at policy implementation should draw the list in two stages; at the first stage, one must draw an ideal list based on a review of existing literature. At the second stage, one must draw up a more pragmatic list by comparing the two above-mentioned lists in addition to taking into account the limitations of data or measurement design, or of socioeconomic or political feasibility. Hence, the deliberately underspecified nature of CA stresses the role of agency, the process of choice, and the freedom to reason with respect to the selection of relevant capabilities. CA provides a general framework for evaluation and its application can be diverse in various disciplines. Therefore, one catch-all definite list is neither possible nor desirable due to epistemological and legitimacy reasons. The focus on individual agency, which involves a concern with people realizing their values or objectives through their own efforts, also suggests that different lists of capabilities might be relevant for different groups. Consequently, to make a selection and draw any applicable list of capabilities, one needs to design some criterion in order to avoid the risk of paternalism. According to Qazalbash (2002), there is some bedrock of shared values around which the various lists of needs, capabilities and prudential values are structured. The articulation of the list of capabilities by different authors reveals some points of convergence (Sen, 1983; Nussbaum, 1995, 2000, 2003; Alkire and Black, 1997; Robeyns, 2003; Schölmerich, 2013). However, to endorse one specific list of capabilities to assess well-being, we do need some systematic methodological reasoning on how such a selection could be done. Process matter as much in the enumeration of a capability list as an outcome. Sen (1997) himself introduced a distinction between culmination outcomes and comprehensive outcomes. The culmination outcomes are narrowly defined in the sense that the process that led to the outcome is not taken into account. Whereas a comprehensive outcome includes aspects of the choice process, including the identity of the chooser, information on the legitimacy, and fairness, or democratic content of the process that led to the outcome (Sen, 1997). In the case of drawing a capability list to assess the well-being

of some socially excluded or marginalized groups, some critical questions need to be asked, e.g. who decide on the content of this list, what kind of choice processes are used, and how are discordant opinions treated? Although the application of a procedural approach may also eventually lead us to similar capability lists as already provided in literature, but they will provide a legitimacy to the process. Therefore, beside two stages already mentioned namely, drawing an ideal list of capabilities from literature and comparing this list with a more pragmatic list drawn by taking into account limitations of data or measurement design, one additional stage is required. The list that is an outcome of the ideal and the pragmatic list should be checked with the relevant group of people (Alkire, 2002). It is important that they decide for themselves which capabilities they will prefer to focus on, from the capability list they are embedded in, and engage with the existing literature in that field. In order to avoid the bias that may possibly stem from the positioning of the researcher, selection of a capabilities list should be subjected to open discussions and democratic participation should be built into the decision making process (Crocker, 2004).

## **6. Conclusion**

The division of theoretical work into two broad areas of social and economic theory kept the social and economic domain apart from each other for a long time at a theoretical level. However, the reductionist ambition of desocialized orthodox economic theorizing was toned down by Sen, who challenged the supremacy of utility in economic theorizing and introduced the dimension of capabilities and functioning in his approach to wellbeing. Sen defined capabilities as opportunities that individuals have to achieve certain functioning. Thus, capabilities are the individuals' ability to do something, whereas functioning refers to achievements. As functioning and capabilities are individual traits, the approach is ethically (or normatively) individualistic theory. However, ontologically CA is non-individualistic, as it acknowledges social and environmental conversion factors and admits that conversion-ability might differ between different people based on their individual or structural differences in society like gender, class or cast, etc. However, despite having many promising features, Sen's CA also has its own weaknesses when considered on its own. CA is often criticized for its underspecified nature and the lack of a definite list of capabilities raised some concerns regarding the practical application of this approach. However, this weakness of CA could be overcome by the application of a procedural approach. CA provides a general framework for evaluation and its application can be diverse in various disciplines. Therefore, one catch-all definite list is neither possible nor desirable due to epistemological and legitimacy reasons. The focus on individual agency, which involves a concern with people realizing their values or objectives through their own efforts, also suggests that different lists of capabilities might be relevant for different groups. Consequently, to make a selection and draw any applicable list of capabilities, one needs to design some criterion in order to avoid the risk of paternalism. Although the application of a procedural approach may also eventually lead us to similar capability lists as already provided in literature, it will nevertheless provide a legitimacy to the process and help to overcome the weakness of CA.

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